

*Referred
10-15-19*

**BUDGET,
FINANCE, AND
AUDIT STANDING
COMMITTEE**



CITY OF DETROIT
OFFICE OF THE CHIEF FINANCIAL OFFICER
OFFICE OF DEVELOPMENT AND GRANTS

COLEMAN A. YOUNG MUNICIPAL CENTER
2 WOODWARD AVENUE, SUITE 1026
DETROIT, MICHIGAN 48226
PHONE: 313 • 628-2158
FAX: 313 • 224 • 0542
WWW.DETROITMI.GOV

September 13, 2019

The Honorable Detroit City Council
ATTN: City Clerk Office
200 Coleman A. Young Municipal Center
Detroit MI 48226

RE: Request to Accept and Appropriate a cash donation from the Quicken Loans Community Fund in the amount of \$200,000.00

The Quicken Loans Community Fund has awarded a cash donation to the City of Detroit Board of Review to purchase property tax exemption software, in the amount of \$200,000.00. There no match requirement for this donation.

The objective of the cash donation to the department is to purchase a property tax exemption software that will provide greater access to property tax exemption opportunities for Detroit homeowners.

If approval is granted to accept and appropriate this donation, the appropriation number is 20686.

I respectfully ask your approval to accept and appropriate this donation in accordance with the attached resolution.

Sincerely,

Ryan Friedrichs
Director, Office of Development and Grants

CC:
Katerli Bounds, Deputy Director, Grants
Sajjiah Parker, Assistant Director, Grants

This request has been approved by the Law Department

This request has been approved by the Office of Budget

RESOLUTION

Council Member _____

WHEREAS, the Detroit Board of Review has been awarded a cash donation from the Quicken Loans Community Fund in the amount of \$200,000.00; and

WHEREAS, this request has been approved by the Law Department; and

WHEREAS, this request has been approved by the Office of Budget; now

THEREFORE, BE IT RESOLVED, that the Detroit Board of Review is hereby authorized to accept a cash donation of \$200,000.00 to purchase a property tax exemption software that will provide greater access to property tax exemption opportunities for Detroit homeowners; and

BE IT FURTHER RESOLVED, that the Budget Director is authorized to establish Appropriation number 20686 to accept and appropriate a donation in the amount of \$200,000.00 from the Quicken Loans Community Fund.



1050 Woodward,
Detroit, MI 48226
www.QuickenLoans.org

September 11, 2019

Detroit Board of Review ("DBR")
Coleman Young Municipal Building
2 Woodward Ave.
Detroit, MI 48226
Attn: Willie Donwell

Re: Offer to Pay for Property Tax Exemption Software

Dear Mr. Donwell,

At Quicken Loans, we know the value of a home. For more than 25 years, Quicken Loans has worked diligently to build a national reputation centered on a simple, user-friendly mortgage process that inspires confidence. One of our iSMs (or core values) is that we are "obsessed with finding a better way." This mentality continues to position Quicken Loans as the nation's largest mortgage lender with 15 JD Power awards for client satisfaction and origination.

The Quicken Loans Community Fund – the philanthropic arm of Quicken Loans and its Family of Companies – also embodies this spirit of being obsessed with finding a better way. It is that drive to always innovate, alongside our dedication to housing stability in Detroit, that has led us to invest deeply in property tax foreclosure prevention and reform. Through that work, we have invested in a direct outreach campaign called Neighbor to Neighbor that has reached all 65,000 Detroit families behind on their property taxes.

As we embarked on that campaign, it became clear that homeowners are not aware of or able to access the support for which they may be eligible. One of the most powerful tools to empower Detroit homeowners to retain their home is the Homeowner's Property Tax Assistance Program, which could reduce or eliminate their property tax burdens. Understanding the critical importance of supporting Detroit homeowners, the Quicken Loans Community Fund would like to support an online software system that will help Detroit homeowners, and the Detroit Board of Review, in the completion, submission, and review of Homeowner's Property Tax Assistance Program applications.

It is our sincere hope that this software assists thousands of Detroit homeowners and their families in accessing critical property tax exemptions that can stave off tax foreclosure and increase housing stability in neighborhoods across Detroit. Simultaneously, we hope that this software eases the workload of the Detroit Board of Review, whose oversight and diligence are integral to the fair and expedient administration of property tax exemptions. We are honored to support this endeavor in service to homeowners in our home city of Detroit.

Pursuant to our previous discussions, this letter agreement (this "Letter Agreement") confirms Quicken Loans Community Fund's ("QLCF") offer to pay for certain property tax exemption software to be procured by DBR under the following conditions:

1. DBR will issue a request for proposal ("RFP") for the development and use of software to process property tax exemptions (the "Software"). The Software will include (a) set up, integration and education services, (b) setup that allows the Software to have (i) an interface for residents to complete and submit property tax exemption applications and review the status of such applications, including approval or denial and (ii) an administrative interface for DBR to review, approve or deny property tax exemptions and (c) a subscription-based agreement for a per-submission use of the Software.
2. Upon completion of the RFP process, DBR will notify QLCF of the vendor selected to provide the Software (the "Vendor") and will provide QLCF with a copy of the draft software agreement between the Vendor and DBR (the "Software Agreement"). Subject to QLCF's due-diligence and review of the Software Agreement, QLCF will pay for DBR's use of the Software for up to three (3) years, at a cost not to exceed \$200,000 (the "Grant Amount") over such three (3) year period, with a maximum payment of \$80,000 in the first year.
3. The Software Agreement will be entered into directly between the Vendor and DBR. QLCF will have no liability to Vendor or DBR other than liability to DBR for the payment of fees in accordance with this Letter Agreement.
4. If Vendor, DBR and QLCF mutually determine that QLCF will pay Vendor directly, Vendor will invoice both DBR and QLCF. QLCF will pay undisputed invoice amounts within 30 days of receipt of invoice. QLCF will not be required to pay invoices on disputed amounts until resolved between Vendor and DBR in accordance with the Software Agreement. QLCF will have the right to withhold payments to Vendor as may be directed by DBR in accordance with DBR's rights under the Software Agreement or applicable law.
5. The payment arrangement described in this Letter Agreement will not give QLCF or its affiliates the right to access or use any confidential and non-public data transmitted through the Software.
6. Prior to or concurrently with the execution of the Software Agreement, Vendor, DBR and the Quicken Loans Community Fund will enter into a mutual agreement letter (the "Final Agreement") to reflect the terms of this Letter Agreement and any other terms that may be necessary or advisable (for purposes of clarifying QLCF's obligations and rights) based upon the final draft of the Software Agreement. The execution of the Final Agreement and the Software Agreement shall be a condition precedent for QLCF's payment for the Software as contemplated by this Letter Agreement.

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Detroit, MI 48226
www.QuickenLoans.org

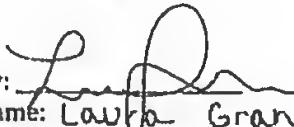
This Letter Agreement represents our full and final understanding of the matters discussed herein and supersedes and replaces any prior written or oral agreements or understandings (including but not limited to the letter agreement submitted by QLCF to DBR and Court Innovations, Inc. dated February __, 2019). Any modification of this Letter Agreement will require a written amendment signed by all parties. This Letter Agreement will be governed by Michigan Law.

To confirm that you agree with the foregoing, please sign in the space provided below and provide a copy to me at LauraGrannemann@QuickenLoans.com. Should you have any questions, please contact Alex Alsup at (313) 782-9585 or AlexAlsup@QuickenLoans.com.

Sincerely,

Laura Grannemann
Vice President, Quicken Loans Community Fund
Accepted and agreed to as of September 11, 2019:

Detroit Board of Review

By: 
Name: Laura Grannemann
Title: Vice President



**Property Assessment
Board of Review**

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Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 124
Detroit, Michigan 48226

Phone: 313-628-0722
Fax: 313-224-4576
www.detroitmi.gov

DATE: October 4, 2019

TO: Detroit City Council

FROM: Board of Review
Willie C. Donwell, Admin/Chair

RE: Board of Review Update

MEMORANDUM

Honorable City Council, this is an update of activities being performed by the Board of Review. The purpose is to provide continued communication to this honorable body relative to the operations and actions of the Board of Review.

HPTAP APPLICATION UPDATE

Currently the Board of Review has received approximately 5,500+ applications, which would place the Board at approximately 15% more applications than this same time last year. Partly due to the continued outreach. Over 6,500 application were submitted in 2018 which was approximately 22% higher than 2017 which supports the growth trend for more applications being submitted to the Board of Review.

The Board of Review has submitted the proposed 2020 income levels and application to the ACLU as required under the settlement agreement and awaiting their response so that the guidelines and application may be submitted to City Council on or before October 15th as required. As in the past, the memo that will accompany the recommendation from the Board will also be submitted to the CFO, Law Department, Office of the Assessor and LPD.

OUTREACH

We are continuing an ongoing outreach campaign to all residential homeowners, especially those that may be delinquent or in threat of foreclosure. As you are aware, there will be a mailing that will be sent to residential properties. This may increase the overall numbers of applications this year.

Information and/or presentations regarding the appeal process and HPTAP application are done on an ongoing basis with community groups, organizations, blocks clubs, churches and other events.

With the increase in applications it is important that the board maintains a line of communication with community groups, organizations and any other entity that may be assisting with applications to stress the importance of proper completion to limit or reduce the amount of additional work that may be placed on the Board in the review process of the applications.

There are a number of other events scheduled through the end of the year where presentations and/or information will be distributed. Over 10,000 HPTAP applications has been distributed through the Board of Review efforts alone.



**Property Assessment
Board of Review**

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HPTAP ONLINE APPLICATION SOFTWARE

It was recommended by the law department that the contract be placed out for bid and the funding donated directly to the city. A new letter was requested and provided by QL-CIF. The letter was provided to Grants Management and should be in front of City Council in coming weeks for approval and acceptance.

Acceptance of the grant is the final step as I have met with the law department, procurement and DoIT to make sure that all of the necessary concerns and questions were discussed and resolved. This was truly a collaborative effort of all of the required parties involved.

MOVE TO SUITE 105

The Board of Review will be moving to Suite 105. This is intended to be the Board of Review's final move. There is an extensive remodeling of the first floor as it relates to Treasury, Income Tax and other offices. The Board will be moving into the location as of October 14, 2019 (tentatively). At the completion, the Board of Review should have a fully functional location to conduct all its business.

The location is optimal for serving citizens as it is in the center of the building on the first floor which will provide easy access, especially for our most fragile.

REQUIRED COMMUNITY MEETING

The Board of Review held its required community meeting on September 12, 2019 at Central Detroit Christian. During that meeting the Board of Review met with multiple community groups, organizations, leaders and citizens to discuss the Homeowners Property Tax Assistance Program.